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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

In re Application of
Crone et al.

Serial No.: **10/680,678**

Filed: **October 7, 2003**

For: **System and Method of Improving Customer Health, Reducing Income Tax by Charitable Gift, and Providing Hunger Relief for the Needy**

Attorney's Docket No: **5164-001**

Patent Pending

Examiner: Mr. Florian M. Zeender

Group Art Unit: 3627

Confirmation No.: 5430

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November 28, 2005 — Date

Edward H. Green, III

SUPPLEMENTAL BRIEF CITING NEW USPTO GUIDELINES FOR PATENT SUBJECT MATTER ELIGIBILITY

On November 22, 2005, the USPTO issued "Interim Guidelines for Examination of Patent Applications for Patent Subject Matter Eligibility." ANNEX III, section (a) of these Guidelines is attached. Applicant believes these Guidelines for Examination to be directly relevant to the application on appeal, and respectfully requests the Board to consider them in deciding the present case.

Respectfully submitted,

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Dated: November 28, 2005

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United States Patent and Trademark Office

Interim Guidelines for Examination of Patent Applications
for Patent Subject Matter Eligibility

ANNEX III
Improper Tests For
Subject Matter Eligibility

As set forth in the patent eligible subject matter interim guidelines, a practical application of a 35 U.S.C. Sec. 101 judicial exception is claimed if the claimed invention physically transforms an article or physical object to a different state or thing, or if the claimed invention otherwise produces a useful, concrete, and tangible result. Therefore the following tests are not to be applied by examiners in determining whether the claimed invention is patent eligible subject matter:

(A) "not in the technological arts" test

(B) Freeman-Walter-Abele test

(C) mental step or human step tests

(D) the machine implemented test

(E) the per se data transformation test.

a. Technological Arts Test

United States patent law does not support the application of a "technical aspect" or "technological arts" requirement. Title 35 of the United States Code does not recite, explicitly or implicitly, that inventions must be within the "technological arts" to be patentable. Section 101 of Title 35 recites that "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor . . . " Accordingly, while an invention must be "new" and "useful," there is no statutory requirement that it fit within a category of "technological arts." Moreover, although there has been some judicial discussion of the expression "technological arts" and its relationship to patentability, this dialogue has been rather limited and its viability is questioned. In 1970, the Court in In re Musgrave [431 F.2d 882, 167 USPQ 280 (CCPA 1970)] introduced a new standard for evaluating process claims under Section 101: any sequence of operational steps is a patentable process so long as it is within the technological arts so as to promote the progress of useful arts. Since the announcement of a new "technological arts" standard in Musgrave, only fourteen cases make reference to this so-called "technological arts" standard. In fact, only a handful of cases immediately following the Musgrave decision employed the "technological arts" standard in determining whether an invention is a process within the framework of Section 101. Instead, the Supreme Court refused to adopt that test when it reversed the Court of Customs and

Patent Appeals in Gottschalk v. Benson, 409 U.S. 63, 175 USPQ 673 (1972). See also Diehr, 450 U.S. at 201, 209 USPQ at 14 (J. Stevens dissenting) (discussing the Court did not recognize the lower court's technological arts standard). Moreover, the CCPA effectively rejected the technological arts test in In re Toma, 575 F.2d 872, 878, 197 USPQ 852, 857 (CCPA 1978), by strongly suggesting that Musgrave was never intended to create a technological arts test for patent eligibility:

> The language which the examiner has quoted [from Musgrave and its progeny relating to "technological arts"] was written in answer to "mental steps rejections and was not intended to create a generalized definition of statutory subject matter. Moreover, it was not intended to form a basis for a new Sec. 101 rejection as the examiner apparently suggests.

Toma, 575 F.2d at 878, 197 USPQ at 857.

In addition, the "technological arts" consideration is completely absent from recent Federal Circuit case law like State Street and AT&T. Given the current trend in the law, the Musgrave test should not be considered as current legal jurisprudence, and should not be used to evaluate process inventions for compliance with Section 101.

More important, the Musgrave decision should not be interpreted as imposing a new requirement that certain inventions be in the "technological arts" to be patentable. Instead, Musgrave should be limited to its facts and holding, i.e., that the computer-related invention in dispute was a patentable invention within the meaning of Section 101 because it was an advancement in technology which clearly promoted the useful arts. Thus, the Musgrave decision should not be construed as announcing a new stand- alone "technological arts" test for patentability, but should stand for the proposition that computer-implemented process claims may be patentable subject matter.

Furthermore, any attempts to define what is "in the technological arts" raises more questions that it appears to answer. The mere application of an article or a computer does not automatically qualify as eligible subject matter. See, e.g., Benson, 409 U.S. 63, 175 USPQ 673. Thus, this potential analysis improperly focuses on how the invention is implemented rather than on what is the practical application and the result that is achieved.

The emergence of a new patentability requirement that is not firmly rooted in our law also creates significant international concerns. First, the United States is a leader in intellectual property protection and strongly supports patent protection for all subject matter regardless of whether there is a "technical aspect" or the invention is in the "technological arts." The application of a `technological art' requirement could be used to preclude the patenting of certain inventions not only in the United States, but also in other jurisdictions.

In Ex parte Lundgren, Appeal No. 2003-2088, Application 08/093,516, (Precedential BPAI opinion September 2005), the Board rejected the examiner's argument that Musgrave and Toma created a technological arts test. "We do not believe the court could have been any clearer in rejecting the theory the present examiner now advances in this case." Lundgren, at 8. The Board

held that "there is currently no judicially recognized separate "technological arts" test to determine patent eligible subject matter under Sec. 101." Lundgren at 9.

USPTO personnel should no longer rely on the technological arts test to determine whether a claimed invention is directed to statutory subject matter. There is no other recognized exceptions to eligible subject matter other than laws of nature, natural phenomena, and abstract ideas.